

HIGHLAND, ILLINOIS
MINUTES OF REGULAR SESSION
TELECOMMUNICATIONS ADVISORY BOARD
CITY HALL, 115 BROADWAY
MONDAY DECEMBER 12, 2011
7:00 PM

Call to Order

The meeting was called to order by Chairman Marron at 7:00 PM.

Roll Call

Members present: Chairman George Marron, Vice-Chairman Jon Boulanger, and Board Member Sharon Rusteberg.

Also present: Councilman Neill Nicolaidis, City Manager Mark Latham, Director Dan Cook, Operations Manager Steve Ferguson, and City staff member Andrea Enright.

Approval of Minutes

Board Member Rusteberg noted that there should be a change under "Approval of Minutes" it should state "third page, second paragraph, first sentence" instead of "third page, first sentence" as well as changing "Connection to Troy Update" to "Connection to Triad Update" in the November 14, 2011 minutes. Andrea noted the change to the minutes.

Board Member Rusteberg made a motion to approve the minutes of the November 14, 2011 Telecommunications Advisory Board meeting; seconded by Vice-Chairman Boulanger. All voted in favor; the motion carried.

Reports

Updated List of Customer Sign Up and Installs

Steve stated that HCS currently has 413 services which is roughly 205 customers that are online. Chairman Marron asked if there has been a noticeable increase or decrease and Steve responded that there has been a slight decrease because some of the additional LCP cabinets have not come available to market additional customers. Steve said that he has discussed this with other members in the industry and it appears that sign-ups typically slow down during the holiday season. Steve said that a 90-day action plan has been put in place. Mark added that the video would be going live on January 1, 2012 and so things should pick up.

Steve said that he had met with Alhambra-Grantfork Telephone and they are interested in possibly leasing the fiber from HCS in the following ways: either hooking up to the HCS system and receiving broadband and perhaps video from us or hooking into the HCS connection to Triad. He said that he will be speaking with Scott Bowles to look at different designs and putting a proposal together to give to Alhambra-Grantfork Telephone. The board discussed revenue opportunities with HomeTel and Illinois Century Network.

Phase II Status

Steve said there have been five LCP cabinets that have been completed: 18, 10, 9, 5, and 3. He said that there are eight more and that there are six that could be finished by the end of the year. He said that

after all of the remaining LCP cabinets have been released then discussions will begin regarding Phase III.

Connection to Troy Update

Steve said that the only thing pending with the connection to Triad High School is the equipment. He said that all of the labor intensive work has been completed.

Video Update

Steve said that the video will be up and running by January 1, 2012. He said that HCS currently has close to 50 customers that are testing the video. He said that they will begin contacting the beta test customers to see which television package they will want and then the changes will be made. He said that the billing will begin for them on January 1, 2012.

Board Member Rusteberg asked if things are going better now and Steve stated that they are. He said that there are still some channels that need work because there are conflicting configuration settings. He said that the problem should be resolved soon.

Mark and Steve announced that customers will not need to use set top boxes to receive the most basic television package.

New Business

Phase III Design

Steve said that HCS has received the numbers from Spectrum Engineering and that Phase III includes mostly the east side of town, which encompasses a lot of residences.

Financial Status/Request for Additional Bond Money

Mark said that the original bond was for \$9 million and he believes it will end up being approximately \$12 million. Mark stated that the estimated construction costs are still being determined, but he suspects that HCS will need to go out for an additional \$2-\$3million in bond. Mark said that HCS should have a cost estimate by December 23, which will include Phase IV, and once that it is received then the City will entertain selling additional bonds. He also said that the maps have been reviewed to ensure that the maps include everything within city limits. He said HCS has talked to the contractors and they are willing to continue on with the same pricing that HCS has previously been able to get. The contractors have also stated that they will continue on with construction regardless of the weather condition as long as there is enough material.

Councilman Nicolaidis asked if obtaining fiber was still an issue and Steve said that HCS should have additional fiber coming in next week. Steve added that obtaining fiber is a problem, but HCS was able to purchase and receive additional fiber.

The Board agreed that a recommendation for the additional bond monies would be decided at the January 9, 2012 meeting in order to receive the final cost estimate from the contractors.

HCS Website

Andrea said that she has sent out a request to other employees to review the HCS website for corrections or additions. She said that once she hears back from everyone, the website should be up

within the next couple days to a week. She stated that there have been problems regarding the loading of PDF documents, but she hopes to have that corrected within the week.

Chairman Marron asked if the HCS website was linked to the City's website. Andrea stated that it was and that it will also be linked to the Chamber of Commerce website as well as other useful links.

Steve asked if the deadline for review was Friday and she stated that it was. Andrea added that she has received permission from two companies to post their information regarding the benefits of fiber.

Chairman Marron asked if an email could be sent out to the Board when the website was live. Andrea stated that she would send out an email.

Approval of dates for 2012 Telecommunications Advisory Board Meetings

Vice-Chairman Boulanger made a motion to approve the dates for the 2012 Telecommunications Advisory Board Meetings; seconded by Board Member Rusteberg. All voted in favor; the motion carried.

Recommendation of Commercial Video Pricing to Council for approval

Steve stated that the list provided does not include MLB, NHL, or NFL which he is still trying to get added. He anticipates that the price will be \$75-\$80. Vice-Chairman Boulanger asked if HCS was working to obtain MLB, NHL, and NFL as a result of requests from potential customers or is this HCS is working to come up with a different type of a package to offer commercial customers. Steve stated that any place of business that brings customers in and uses television as a tool to do so is charged at a different rate than regular businesses. He stated that it has been suggested that MLB, NHL, and NFL be added to the package to remain competitive.

Chairman Marron made a motion that a recommendation be made to Council that rates for programming for commercial customers be set; seconded by Board Member Rusteberg. All voted in favor; the motion carried.

Recommendation of cost of set top boxes to charge customers in the event the boxes are damaged or not returned to Council for approval

Board Member Rusteberg made a motion that a recommendation be made to Council that customers be charged a fee for set top boxes in the event that they are damaged or not returned; seconded by Chairman Marron. All voted in favor; the motion carried.

Next Meeting

The next meeting of the Telecommunications Advisory Board is scheduled for January 9, 2012 at 7:00 PM.

Adjournment

Vice-Chairman Boulanger made a motion to adjourn the meeting; seconded by Board Member Rusteberg. All members voted aye, none nay; the meeting adjourned at **7:25 p.m.**